

As a result of the information obtained from your employer, we intend to amend your expenses as follows: Year 1968: Former expenses \$760; Amended expenses \$500.

Finally, Mr. Speaker, the department that had accepted the amount of \$2.90 per day was simply reducing it to \$1.70.

Mr. Speaker, I believe we are witnessing something very loathsome. We must not forget that at that time, a friend of the government such as Jean-Louis Gagnon who was vice-president of a commission was given a salary of \$25,000 per year and \$6,000 for expenses. Furthermore, Mr. Speaker, members of the Standing Committee on Public Accounts have seen hotel bills for \$65-a-day rooms and \$12 meals paid by the Canadian government for some CBC employees. To me, this is having one law for the rich and one for the poor.

CBC employees get \$12 meals and \$22-a-day rooms are provided for members of commissions that, finally, are not worth much to us, while truck drivers who work 95 hours a week are being refused an income tax deduction for meals totalling \$2.90 a day.

If that is not fraud, I wonder what it is.

Some civil servants of the department with whom I discussed the matter recently told me they really questioned the honesty of that type of behaviour, but civil servants have family obligations and therefore cannot express their views. And so, to protect their jobs, even if their work does not make sense, they must crawl before their bosses.

In pointing out that shameless manipulation, I wish to draw the attention of the minister concerned, who has the necessary authority and can make his intentions known in this regard.

And frankly, Mr. Speaker, I would be pleased to know as well whether the truck drivers can hope to have the right to eat three times a day.

• (10:50 p.m.)

[English]

**Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance):** Mr. Speaker, the Minister of National Revenue (Mr. Gray) regrets very much his inability to be in the House tonight and has asked me to respond to this question for him. I would also advise the hon. member that a detailed response to the representations that he has made tonight will be sent to him personally at a very early date.

Meanwhile, the hon. member may be assured that the 9,000 audits referred to in the question he asked originally—and presumably the instance that he cited this evening was an example of one of those—are simply desk audits in the ordinary course of the department's 1970-71 reassessment program pertaining to the returns of taxpayers who have claimed deductions from taxable income of personal living expenses while away from their ordinary place of residence. This is part of the regular departmental procedure to assure that our self-assessing tax system works properly.

### *Proceedings on Adjournment Motion*

Again I assure the hon. member that a detailed written answer will be delivered to him by mail in the very near future.

### FINANCE—USE BY PROVINCES OF CAPITAL WORKS LOAN FUND TO COMBAT UNEMPLOYMENT

**Mr. Robert P. Kaplan (Don Valley):** Mr. Speaker, tonight represents two "firsts" for me. This is the first occasion on which I have spoken in the "late show", as we call it, and it is also the first occasion on which I have attended the late show. I should like to thank all hon. members who have remained for providing me with a warm and interested audience.

I was not satisfied with the answer the Minister of Finance (Mr. Benson) gave when I asked a question in the House this afternoon—that he did not have at hand the information which I requested. I much regret that I was unable to give him prior notice of the question, because one would not have expected the information to be readily at hand. The real defendant, if I can put it that way, in the issue I am raising is not the federal government but in fact the government of the province of Ontario.

The matter arose when last December the government introduced a budget which was designed to stimulate the economy to provide an expansionary thrust, and in particular to provide a considerable amount of relief for unemployment across Canada. Involved was a fund, originally of \$150 million, subsequently increased to \$160 million, which the federal government was offering to the provinces of Canada to assist in capital works not otherwise planned to be carried out and which would immediately provide employment.

Hon. members will recall that at that time the seasonally adjusted unemployment figures were the highest of that bad period, higher than they are now. Some of the provinces of Canada responded seriously and immediately to that offer. The governments of British Columbia and Quebec have repeatedly indicated that they are interested, on behalf of the unemployed people of their provinces, in taking up the share which was made available to them.

Three months following the budget, the province of Ontario has not given any indication that it intends to use any part of the \$17 million which has been made available by the federal government. In fact, it was not until February 4, two months after the budget debate, that the province of Ontario decided on the allocation to municipalities in Ontario in respect of this amount. I do not blame the municipal politicians in the city of Toronto for being discouraged: it was not their fault that the provincial government had not responded. Why did Queen's Park wait for three months to indicate the allocation of this money in so far as municipalities are concerned? Why have the people in Queen's Park waited three months, during which time this money has been working in other provinces, to do something about unemployment in the province?